

# *Purchasing Update*

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Division of Purchasing  
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Be not angry that you cannot make others as you wish them to be, since you cannot make yourself as you wish to be.

--Thomas K Kempis



## **PURCHASING WORKSHOP**

Plan to join us for the next Quarterly Purchasing Workshop, to be held in Boise. Also we would like to encourage everyone to join us after the meeting for a Brown Bag Lunch (**please bring your own lunch**). It will be fun to network and visit with each other (celebrate fiscal year end) at the Quarry Park located behind the Department of Agriculture Building.

Wednesday  
July 16, 2008  
9:00 a.m. – 1:00 pm  
Idaho Department of Agriculture  
Downstairs Conference Room  
2270 Old Penitentiary Road  
Boise

Tentative Agenda  
Welcome – Dept. of Agriculture  
Administrative & Legislative Updates – Mark Little, Purchasing Manager  
FedEx Corporation – Michael Buttars, Government Accounts  
WW Grainger Industrial Supply – Jay Becker



**Brown Bag Lunch** after the meeting at Quarry Park

Go out Warm Springs Avenue to Old Penitentiary Road  
Enter the Dept. of Ag through the front entrance. You must sign in at the front lobby before proceeding downstairs.



## Idaho Rule Changes – How it Affects Purchasing

### **Effective July 1, 2008**

Property, Contracts, Price Agreements, Leases, Professional and Consultant Services and Information Technology costing more than \$5,000 and less than \$75,000 (**or your delegated purchasing authority**) and not available on Statewide Contracts, requires, where practical, a minimum of three (3) competitive solicitations from vendors with a significant Idaho economic presence.

Please refer to our website for more information at [www.adm.idaho.gov/purchasing](http://www.adm.idaho.gov/purchasing)

### **Delegated Authority**

For purchase of property and services exceeding \$5,000 and not available on statewide contracts, the Administrator of the Division of Purchasing may grant limited delegated purchasing authority in various amounts to agencies that demonstrate a need for such purchases and a competence for accomplishing the purchase according to state statutes and published purchasing rules and regulations (*I.C. 67-5717, IDAPA 38.05.01.021*).

In most cases, delegated authority is limited to small purchases expected to cost seventy five thousand dollars (\$75,000) or less. Costs are determined as one-time purchases of property or the total cost of a contract for services, including renewal or extension periods, costing less than \$75,000. Multiple year contracts for services may be procured with the following exceptions:

- The total cost of the contract for services or property cannot exceed the delegated authority, including renewal or extension periods (*IDAPA 38.05.01.044*).
- Leases or rentals of personal property cannot exceed delegated authority and one (1) year in length. The Division of Purchasing may approve leases or rentals for longer periods of time (*IDAPA 38.05.01.101*).
- Professional, Consultant, and Information Technology Services contracts are limited to \$75,000 and one (1) year in duration (*IDAPA 38.05.01.44*).
- Non-exclusive price agreements may not exceed two (2) years in length and require authorization by the Division of Purchasing (*IDAPA 38.05.01.84*).
- All time purchases that may involve interest payments, regardless of dollar amount or contract length, require approval of the Division of Purchasing and may also require financial approvals (*IDAPA 38.05.01.102*).

State agencies, on an individual basis, may request delegated purchasing authority or increases in their delegated authority. For an agency to receive delegated authority or increased delegated authority, it must comply with the following:

- Demonstrate a need for the dollar limit authority requested.
- Have approval from the agency head.
- Submit a plan of purchasing responsibility that identifies the individual(s) designated as the agency's chief purchasing official(s) and shows adequate staffing possessing capability to handle the delegated authority. The individual chiefly responsible for purchasing must demonstrate

sufficient purchasing ability to accommodate the agency's particular needs and be knowledgeable of public procurement's issues and trends.

- Submit an agency purchasing policy and procedure manual showing compliance with State Statutes and Division of Purchasing Rules.
- Require that all personnel involved in the purchasing process participate in training sessions, workshops, or conferences offered by the Division of Purchasing. The agency shall work to promote professionalism by its purchasing staff through continued training.
- Submit monthly purchasing reports as identified by the Division of Purchasing.
- Submit to purchasing reviews conducted by the Division of Purchasing for the purpose of determining effectiveness and performance of the agency's purchasing system and evaluating compliance with State Statutes and Division of Purchasing Rules.
- Consistently comply with *Idaho Code, Section 67-5714 et. seq.*, and Division of Purchasing Rules, *IDAPA 383.05.01*, relative to the conduct of purchasing activities.
- Modification to delegated authority will be contingent on the use of the Division of Purchasing e-procurement system (SICOMM.net).

After reviewing the above requirements, the Division of Purchasing will assess the needs and capabilities of the requesting agency and grant or deny delegated purchasing authority. Once approved, agencies are encouraged to re-delegate purchase authority to division, bureau, section, and program levels consistent with their capability to monitor such activity.

Agencies with delegated authority are subject to Purchasing Reviews by the Division of Purchasing. Purchasing Reviews are conducted to determine the effectiveness and performance of the agency's purchasing policies and procedures and to evaluate compliance with state statutes and purchasing rules. Results of the review will be the basis for recommending additional training for agency personnel and for granting increased or rescinding of delegated authority. Delegated authority removal or reduction may also occur should an agency's chief purchasing officer position be downgraded or become vacant.



### **At What Point Do you Need a Public Works (PW) License?**

Bidders submitting a proposal for state-funded contracts shall be licensed in the correct type of class by the Idaho Public Works Contractors License Board **prior to submitting a bid.**

For contracts which are federally-funded (wholly or partially), the successful bidder shall be licensed **prior to awarding the contract.**

Subcontractors that are required to be listed in the bid proposal shall possess a license of the type and class specified.

To get information on Public Works licensing, visit the Idaho Division of Building Safety at <http://dbs.idaho.gov>

An Idaho Public Works License is not the same thing as an Idaho Contractor Registration. Visit the Idaho Bureau of Occupational Licensing at <http://ibol.idaho.gov> for more information.



## **STATEWIDE CONTRACT NEWS/UPDATES**

CDL Alcohol and Controlled Substance Testing and the Statewide bid for Paint and Supplies are presently being evaluated. Contracts will be in place soon. Letters of intent to award should be out by next week for the CDL testing. Paint and Supplies may take a little longer but the intent is to have a new contract in place before the old contract expires in July, 2008

If you have any questions, contact Jason Urquhart at 332-1608 or e mail; [jason.urquhart@adm.idaho.gov](mailto:jason.urquhart@adm.idaho.gov)

For a complete listing and copies of the Statewide contracts, visit our website at:

[www.adm.idaho.gov/purchasing](http://www.adm.idaho.gov/purchasing)

If you would like to participate or have input to offer as Statewide Contracts are re-bid, please e mail the Respective Purchasing Officer.

**Purchasing Update** is a newsletter for the **Department of Administration, Division of Purchasing** designed to provide purchasing information to state and public agency purchasing personnel. Anyone wishing to contribute information and ideas for future articles; has questions regarding state purchasing issues; the **Division of Purchasing** mission or activities, please contact Pearl Smith at (208)-332-1612 or [pearl.smith@adm.idaho.gov](mailto:pearl.smith@adm.idaho.gov)